

9/12/77 [1]

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 9/12/77 [1]; Container 40

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo w/att.	From Brzezinski to The President (3 pp.) re: Nominee for SALT negotiation team/ enclosed in Hutcheson to Brzezinski 9/12/77	9/9/77	A

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of the Staff Sec.- Pres.
Handwriting File 9/12/77 [1] Box 48

RESTRICTION CODES

(A) Closed by Executive Order 12356 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

THE PRESIDENT'S SCHEDULE

Monday - September 12, 1977

7:45 Dr. Zbigniew Brzezinski - The Oval Office.

8:15 Mr. Frank Moore - The Oval Office.

8:30 Senior Staff Meeting - The Roosevelt Room.

9:00 Meeting of the Cabinet. (Mr. Jack Watson).
(2 hrs.) The Cabinet Room.

11:00 Mr. Jody Powell - The Oval Office.

12:00 Lunch with Vice President Walter F. Mondale.
(30 min.) The Oval Office.

1:00 Meeting with Archbishop Joseph L. Bernardin,
(15 min.) President of the National Conference of Catholic
Bishops, and Bishop Thomas Kelly, General Secretary
of the U.S. Catholic Conference. (Dr. Zbigniew
Brzezinski) - The Oval Office.

1:45 Video Taping for National United Way Campaign.
(10 min.) (Mr. Barry Jagoda) - Diplomatic Reception Room.

2:30 Drop-By Meeting of Interagency Council on
(10 min.) Minority Business Enterprise. (Mr. Jack
Watson) - The Cabinet Room.

THE PRESIDENT HAS SEEN.

Monday

Mr. President --

The first response in Betty Beale's column on Sunday ("the thought probably hadn't occurred to them") was my answer about White House state dinners/guests.

I would like to express my agreement with Betty, however, about inviting "celebrity" types. I think it's a superb way to honor outstanding Americans in their different fields of endeavor.

-- Susan

THE PRESIDENT HAS SEEN.

DRAFT PRESIDENTIAL STATEMENT
DEPARTMENT OF ENERGY ACTIVATION

I have just signed the executive order which will activate the Department of Energy on October 1.

Creation of this new Department fulfills a campaign pledge I made nearly a year ago, when I promised to reorganize the Federal Government's energy responsibilities. We will have the Department of Energy in operation less than two months after I signed the enabling legislation, although that law allows us up to four months. The new Department is the first major result of my efforts to reorganize the Federal bureaucracy to serve the American people more efficiently.

Creation of the Department of Energy will give a clear direction and focus to America's energy future by providing the framework for carrying out a comprehensive, balanced national energy policy. This will help the public and the private sectors as they work together to bring energy supply and demand back into balance -- both now and for the years ahead.

The nation's energy problems are still with us. This summer, gasoline demand rose to an all-time high, and oil imports during the first six months of the year reached record levels.

The rapid progress of this legislation reflects cooperation between the Congress and the Administration to resolve these dilemmas.

As we move into another winter season, we need to be able to deal with possible energy shortages in a unified way. Activation of the Department will do this by letting us combine many different individuals and organizations into a single unit.

~~Yesterday~~ ^{TODAY} I submitted to the Senate nominations for key positions in the Department of Energy, and I will soon be submitting the remaining nominations.

I wish Jim Schlesinger and all those who will be working with him the best of luck in the difficult job they face. With the help of the American people, we can overcome our energy problems and move together into a new era of energy security.

I would now like to ask Secretary Schlesinger to brief you on the proposed organizational structure of the new Department.

#

**Electrostatic Copy Made
for Preservation Purposes**

9/12/77

THE WHITE HOUSE
WASHINGTON
September 12, 1977

Stu Eizenstat
Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President
Hamilton Jordan
Bob Lipshutz
Zbig Brzezinski

RE: REQUEST BY SEN. CRANSTON
TO SUPPORT S. 1307

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input checked="" type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input checked="" type="checkbox"/>	LIPSHUTZ
<input checked="" type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	LANCE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE PRESIDENTIAL SEAL

THE WHITE HOUSE

WASHINGTON

September 10, 1977

Frank & Stu
Inform
Cranston I will not
veto S1307 in
its present form
J

MEMORANDUM FOR THE PRESIDENT

FROM: Bob Lipshutz *BL*
Stu Eizenstat *Stu*
Frank Moore *FM*

SUBJECT: Request by Senator Cranston to Support S.1307

There are two bills pending Congressional action which affect DoD's special discharge review program for Vietnam era veterans. The Beard Amendment which is attached to the HUD appropriations bill prohibits VA benefits to any individual upgraded under the program. It passed the House June 15, 273 to 176. It is awaiting action in the Senate. S.1307, sponsored by Senators Cranston and Thurmond, is a compromise to the Beard Amendment. It passed the Senate September 8, 87 to 2 and extends the eligibility of the program to all veterans up to those who served in the Vietnam war. It still contains a provision we object to in that individuals upgraded under the program must go through a second screening if they apply for VA benefits. The upgraded discharge itself would not be affected. Only 35 of the approximately 40,000 individuals upgraded under the program have applied for benefits up to this date.

The HUD appropriations legislation containing the Beard Amendment is being held at the desk in the Senate until Senator Cranston can determine whether you will support S.1307. If you decide to state that you will veto S.1307, then the HUD appropriations bill, with the Beard Amendment attached, will come up and we believe pass by an overwhelming majority in the Senate. You will then be faced with a decision of vetoing the HUD appropriations bill. We do not believe that a veto could be sustained.

If you agree to sign S.1307, or at least not to block its passage, the Senate will pass the HUD appropriations bill without the Beard rider. The House conferees have agreed, if you agree to allow S.1307 to become law, to delete Beard from the HUD appropriations bill.

The Veterans Administration supports S.1307, and DoD, while not enthusiastic, is recommending under the present circumstances that you not block its passage. These agencies, as well as HUD and we, ask you to consider the following options:

____ Option 1: Agree to sign Cranston/Thurmond.

____ Option 2: Allow the Bill to become law without your signature.

Whether you choose Option 1 or 2, you could issue a statement detailing your objection to portions of the Bill.

We do not believe that you should sign the HUD appropriations bill with the Beard Amendment attached. At the same time, we do not believe a veto of that bill could be sustained. We do believe that S.1307 is acceptable in its present compromise form. Our agreement would hold only to its present form and not to any changes that the House may make when it debates its version next week.

While the House version is more restrictive, Senator Cranston and the VA believe that they will be successful in getting the House to pass the Senate version.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

①
—

Electrostatic Copy Made
for Preservation Purposes

MINUTES OF THE CABINET MEETING

Monday, September 12, 1977

The twenty-sixth meeting of the Cabinet was called to order by the President at 9:06 a.m., Monday, September 12, 1977. All Cabinet members were present. Other persons present were:

Joe Aragon	Tim Kraft
Landon Butler	Bunny Mitchell
Zbigniew Brzezinski	Dick Moe
Hugh Carter	Frank Moore
Doug Costle	Frank Press
Stu Eizenstat	Charles Schultze
Jane Frank	Jay Solomon
Rex Granum	Charles Warren
Richard Harden	Jack Watson

The President asked for comments, beginning with the Secretary of Defense:

1. Dr. Brown said that Japanese Director General of Defense Asao Mihara will visit him tomorrow; Mr. Mihara is here for a week-long visit to the United States. Topics to be discussed will include the Pacific security situation and the United States' position on withdrawal of ground troops from Korea.

-- Assistant Secretary of Defense for Internal Security Affairs David McGiffert is in Europe consulting with NATO about AWACS and enhanced radiation weapons. The German Parliament debated the latter subject last week, and Dr. Brown said that German Chancellor Schmidt may write the President on the subject. He said that the Germans do not want decisions concerning enhanced radiation weapons to be made bilaterally--but rather with the larger European Community sharing in such decisions.

-- The American Federation of Government Employees (AFGE) voted four to one not to open their union to the

military. Dr. Brown said that this shows that legislation prohibiting unionization in the military may not be necessary. He noted that Senate sponsors of the legislation may still try to secure its enactment.

-- Dr. Brown said that DOD has reservations about Senate Bill 555, legislation introduced by Senator Ribicoff concerning conflicts of interest. Restrictions in the legislation would make recruitment of post-government employees very difficult. Mr. Califano added that the legislation would also inhibit some doctors and academics from coming into HEW.

2. Ms. Kreps expressed her concern regarding development of minority business enterprise and noted that the Inter-agency Committee for Minority Business Enterprise will meet today in the Cabinet Room at 2 p.m. Thirty agencies will be represented, and the President will join the meeting at 2:30 p.m. She said that efforts would be addressed primarily to two areas: expanding minority business capacity; and extending procurement to minority firms.

-- The President reiterated his commitment to maximize purchases from minority businesses and urged all Cabinet members to cooperate in that effort in every way possible. The President mentioned that under the Local Public Works Program, 10% of the funds are set aside for minority purchases. He also reported that Vernon Weaver, Director of the Small Business Administration, is working on new procedures to avoid fraud and abuse in minority enterprise programs. Mr. Strauss commented that, with leadership from the President and the Cabinet, enormous progress could be made in expanding and enhancing minority business enterprise.

-- Ms. Kreps noted that there had been some recent modest improvement in business investment. According to the latest Department of Commerce figures, purchases of plant and equipment have increased in real terms approximately 8%, lower than our 10% goal, but better than the 7 1/2% level of recent months.

-- Ms. Kreps is working with Messrs. Watson and Eizenstat to set up a meeting of corporate leadership with the President to discuss such subjects as tax reform, trends in business investment and ways to improve the U.S. economy.

3. Mr. Adams noted that DOT has established a policy to set aside Northeast Corridor contracts for minority business enterprise. He said that the action might result

in a lawsuit because it raises some issues paralleling those in the Bakke case.

-- He noted that a false story appeared recently in the Washington Star concerning Dr. Brzezinski's role in formulating the Administration's policy on the Concorde. Mr. Adams said that he had met with the Chairman of the House Subcommittee on Governmental Operations and offered to present the Administration's option paper to a closed House committee session. The Subcommittee Chairman refused the offer and demanded two other witnesses who did appear and testify generally on the Concorde but not on the classified option paper.

4. Mr. Lance said that he appreciates the support of the Cabinet and White House Staff during recent weeks.

-- The President said that Mr. Lance will testify before the Senate Governmental Affairs Committee on Thursday. He noted that most Members of Congress have been eager to see Mr. Lance have this chance to address the issues that have been raised in recent weeks, and that the Cabinet and other White House Staff have been extremely supportive.

5. Ambassador Strauss said that he is completing negotiations with Korea on the Multifiber Agreement.

-- He goes to Canada on Wednesday and next week will be in Bonn, Paris and Rome for a series of one-day meetings.

6. Ms. Harris said that the Urban and Regional Policy Group is continuing meetings with outside groups. Today she will meet at the White House with several mayors and with the Black Caucus.

-- The President said that he had had an excellent meeting last week with the Black Caucus and that he believes a working "partnership" was formed between them. The President said that Congressman Parren Mitchell, Chairman of the Black Caucus, told him that he had met with all members of the Cabinet except one and was very impressed with each of them.

7. Mr. Bergland said that he sat through 45 hours of hearings at DOA on zero-based budgeting. At present, he said that the USDA is "a mess." He said that, among other things, he intends to change DOA's practice of "publishing big words in small print." He also plans to make available sufficient information to the press in advance so that inaccurate press stories can be reduced.

-- Mr. Bergland said that given the drought conditions still extant in many parts of the country, the harvesting has been very good.

-- He reported that progress has been made in the international wheat agreement talks. Those attending the talks agree that we cannot leave world wheat prices to the vagaries of boom and bust.

8. Mr. Blumenthal discussed the applicability of the Jones Act to the transportation of Alaskan oil. He said that he plans to talk to Messrs. Schlesinger and Eizenstat concerning whether past practice should be altered. He noted that there will be some criticism of our policy whether we alter past practice or not. Mr. Adams and Ms. Kreps said that they would like to be involved in the discussions.

-- Testimony on the \$10 billion Witteveen Facility begins next week in the House Banking Committee and the Senate Foreign Relations Committee.

-- Assistant Secretary of the Treasury Bergsten and Under Secretary of State Cooper are in Japan discussing US-Japanese economic relations.

-- Mr. Blumenthal will meet with French Prime Minister Barre when he visits the U.S. later this week.

-- The President noted that there was a very interesting article in yesterday's New York Times Magazine on French President Giscard d'Estaing.

9. The Attorney General said that he worked last week on the Korean CIA matter and the Bakke brief. He said that he hoped the Bakke brief would be completed early this week, and that he has prepared a one-page summary of the main points to be raised in the brief.

-- The President noted that he has asked South Korean President Park to return Mr. Tong Sung Park to the United States but that there are indications that the Koreans may not comply with the request.

-- Mr. Bell noted that the Vice President had made an excellent speech on "access to justice" to a Second Circuit Conference over the weekend.

10. Mr. Marshall said that the coal situation is still very tenuous because the serious underlying problems of

pension and welfare funds in the United Mine Workers union persist. He said that this problem is not unique to the coal industry, and that the Federal Government must begin to address it. Mr. Marshall chairs a committee on the subject on which Mr. Blumenthal and Ms. Kreps also serve. The coal industry has sixty days to act before the contract expires, and DOL is continuing to try to facilitate the situation and make accurate and full information available to all sides.

-- The strike situation with iron ore workers is also troublesome.

-- The Longshoremen's contract expires at the end of this month. At issue, among other things, is the preservation of work in an industry with significant technological changes.

-- Implementation of the CETA legislation is ahead of schedule. DOL has worked out a satisfactory solution to the Chicago problem with CETA and will deal this week with a similar problem in New York. The Labor Department is making it clear that it will not tolerate abuse or fraud in administration of the CETA program.

-- Mr. Marshall is refining his recommendations to the President on minority and youth unemployment.

-- Mr. Marshall said that some employers prefer to hire foreign workers and are refusing to cooperate with DOL policy on hiring domestic workers. He noted an adverse court decision on the subject and said that DOL is prepared to appeal the issue to the U.S. Supreme Court.

-- The President left the meeting temporarily to make a telephone call to the Congress on the subject of gas deregulation and asked Ambassador Young to describe his recent trip to Southern Africa.

11. Ambassador Young said that the United States' role in the recent discussions had been primarily to keep the dialogue open between the British and the Rhodesians since relations between the two countries have been strained. He said that the Rhodesia plan proposed by the United States establishes a framework within which rational change is possible. This week the United States will be seeking African support in advance of the reconvening of the UN General Assembly next week. Mr. Young noted that the Foreign Ministers of Nigeria and Tanzania have been very supportive. (The President resumed the chair during the course of Mr. Young's remarks.)

-- Mr. Young said that the Bakke case is perceived as a betrayal of the Black community by the judicial system. He said that there is a feeling in California that the university did not want to win the case. He noted that Mr. Bakke, the White applicant denied admission to Davis Medical School, was turned down by 12 other medical schools, some with no Blacks or Chicanos. Mr. Califano noted that there is an out-pouring of concern over the case from the academic community, and that the United States brief in the case will be the most well-read brief of this Administration. He urged that the Justice Department take sufficient time to frame its arguments as precisely and clearly as possible. Ms. Harris said that she had read an early draft of the brief and that, in her opinion, it needed considerable improvement.

12. Dr. Brzezinski said that the NSC held meetings last week on SALT, East/West trade, and policy towards Eastern Europe.

-- An NSC staff member will go to Somalia and Ethiopia to get a first-hand view of the situation there.

-- Dr. Brzezinski stated that the Administration has taken the position that outside powers should not be "fueling" African territorial disputes. Mr. Vance added that the Organization of African Unity (OAU) endorsed this position at a meeting last week.

-- Dr. Brzezinski has sent the Attorney General a memorandum on the need for a thorough review of counter-intelligence activities in the United States.

13. Mr. Schultze gave a brief status report on the economy. There has been a lull in retail sales during the summer months; those sales adjusted for inflation fell in June and rose only modestly in July. This situation was almost immediately reflected by a downward adjustment in production. The total person/hours worked rose in May but fell in July and August. In August, there was only a very small increase over the figures for April. Unemployment has been basically level since April, but there has been a substantial increase in black unemployment. The trade deficit is rising, reflecting both a substantial increase in oil imports and no growth in exports.

In spite of these indicators, Mr. Schultze expressed his belief that we are not heading for a growth recession, i.e. growth less than 3 1/2 - 4 percent. He bases his opinion on the fact that there are no major distortions or imbalances which would prevent further recovery. Mr. Schultze pointed out four positive signs:

-- Business investment intentions show a continued increase, although not as much as we would like (i.e., 6.5% at annual rates is predicted through the end of the year, compared with 2% in prior quarters and a target of 8.5%).

-- Surveys of consumers show continuing intent to invest in large durable goods, e.g., cars, televisions, refrigerators, etc.

-- The economic stimulus program is coming on line-- \$4 billion at annual rates was put into the economy in the third quarter; \$13 billion is expected in the fourth quarter; and \$20 billion is anticipated by the middle of next year;

-- State and local government spending is up over last year.

In sum, Mr. Schultze said that he is reasonably confident that the lull will end, although the economy may not meet our targets for the next six to eight months. There is still a great deal of residual trauma from the past four years of inflation and high unemployment, and the Administration has not yet been able to overcome the nervousness that persists from that situation.

-- Mr. Blumenthal stressed that U.S. monetary policy is, of course, extremely relevant to an analysis of the economy. He also emphasized the importance of minimizing budget short-falls next year.

-- Mr. Strauss suggested that Administration spokespersons meet regularly with influential bankers and members of the business community to explain what steps the Administration is taking to improve the economy. He said that this move would be certain to shore up confidence in the nation's economic prospects for the future. Messrs. Bell, Marshall and Young discussed the impact of illegal immigration on the economy. Ms. Kreps said that the tax reform package offers an enormous chance to stimulate business investment.

14. Mr. Califano said that the welfare reform legislation will be sent to the Hill today. He commended the splendid efforts of Mr. Marshall and Bert Carp, Deputy Director of the Domestic Policy Staff, in completing the legislation. Congressman Corman, who chairs the House ad hoc committee, will begin hearings on Monday, and Mr. Califano

suggested that the President again express his appreciation to the Speaker for setting up the special committee. The Committee plans to hold hearings through December 20.

-- HEW will announce today further major reforms in Federal Aid Administration as a follow-up to Jack Watson's speech last week to the National Governors' Conference in Detroit outlining the President's initiatives and directives in this area.

-- HEW is holding a conference later this year to promote "closed caption" television (a system which enables deaf people to install an inexpensive device on their television sets which produces "sub-titles" on the bottom of the television screen.)

-- HEW is working on other major legislation, including hospital cost containment, social security, and child welfare. Mr. Califano said that most newspaper editorials, approximately 140 out of 150, on the President's welfare reform proposals have been favorable, and that Governor Robert Straub of Oregon has indicated that he will make enactment of the legislation his major campaign theme.

-- Mr. Califano goes to Canada this week to review the Canadian national health program; he is working on a memorandum on that subject for the President.

15. The President commended Mr. Watson and several Cabinet members for their good work last week at the National Governors' Conference.

-- He discussed hospital cost containment legislation during his visit to New Jersey on Saturday. He said that hospital costs will double every five years without cost containment, and noted that there is growing support for the Administration's proposal. Mr. Califano added that the legislation could save \$25 billion over the next four years. Hospital costs are presently increasing at a rate of \$24 million every day--\$10 million of which would be eliminated if the President's legislation is adopted.

16. Mr. Andrus said that he and Mr. Bergland have worked out some issues in dispute concerning H.R. 39, the Alaska National Interest Land Conservation Act, and that only one issue will need to be decided by the President. He stressed that the issues could not be reduced simply to a question of energy vs. environment.

-- The Interior Department agrees with 80% of OMB's decisions on its 1977 budget supplemental and will appeal the remainder of those decisions.

-- Mr. Andrus will attend the American Mining Congress Convention in San Francisco tomorrow and will return to Washington late tomorrow night.

-- He will attend the President's meeting with Senators Bumpers and Anderson on surface mining on Wednesday of this week. He briefly explained the issue being raised by the Senators and said that their position had merit.

17. Mr. Vance said that the bilateral meetings held last week with Latin American leaders attending the signing of the Panama Canal treaties were very productive.

-- The State Department is preparing for visits from various Middle Eastern foreign ministers. Israeli Foreign Minister Moshe Dayan will meet with the President and Mr. Vance on September 19. Mr. Vance said that the situation in the Middle East has been complicated and exacerbated by the Israeli government's decision to establish new settlements on the West Bank.

-- Next week Mr. Vance will meet with Soviet Minister of Foreign Affairs Gromyko. Topics to be discussed will include the extension of the SALT interim agreement, the ABM treaty and reconvening the Geneva conference on the Middle East.

-- French Prime Minister Barre will be in Washington on Thursday and Friday for meetings with the President, Mr. Vance and other senior members of the Administration.

-- Hearings on the Panama Canal treaties before the Senate Foreign Relations Committee will begin September 26. One entire week has been set aside for Administration witnesses.

18. Dr. Schlesinger said that the Administration's recommendation on the Alaska/Canada (ALCAN) gas pipeline will be sent to the Hill on Friday or Monday. This action will follow shortly the signing with the Canadians of the principles of agreement. He predicted that the Administration's position in this matter would be welcomed by most interests.

-- The Senate is moving quickly to pass the non-tax provisions of the energy legislation. Provisions regarding coal conversion were passed last week. The natural gas sections will be marked up this week. Utility rate reform will be considered shortly.

19. The President said that he is proud of our negotiations with Canada concerning the ALCAN pipeline.

-- He noted that he and Mrs. Carter will have dinner tomorrow at the White House with Senator and Mrs. Russell Long.

-- The President said that our efforts to persuade the public and the Congress that the Panama Canal treaties should be ratified are continuing with considerable success. He noted that a recent Gallup Poll shows that 39% of the public favors ratification compared with 8% earlier this year.

-- He observed that there was an unprecedented demonstration of the quality of respect between the U.S. and the various Latin American countries which were represented at the signing of the Panama Canal treaties last week. He emphasized again that ratification of the treaties is extremely important to the continuance of those relationships.

-- The President was pleased with the reception he received in New Jersey on Saturday. He also noted that a recent Gallup Poll shows that the Administration's favorable ratings are continuing.

-- The President noted that we are in the final stages of negotiation with the Congress on some very important legislation. He commended the superb work of Frank Moore and his staff in working with the Congress and said that an increasing percentage of his own time will be spent on legislative matters in the coming months. He urged each Cabinet member to press his or her own legislative agenda with diligence and vigor. The President said that the Congress plans tentatively to adjourn by October 23. After adjournment, he commented that he and Cabinet members will have an opportunity to travel around the country.

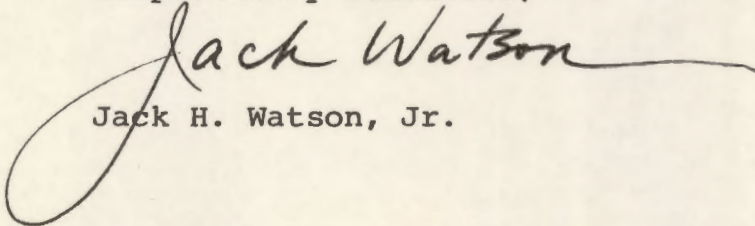
-- The President reiterated his profound respect and appreciation for each member of the Cabinet and asked Cabinet members to pay no attention whatsoever to recent totally inaccurate press articles purporting to reflect his criticism of some of them. He said that he has never criticized any Cabinet member in public or in private and that he will fire any member of his staff who is ever identified as a

source of the kind of inaccurate rumors, back-biting and malicious gossip that have been reported in the press concerning his relationship with the Cabinet. He reiterated that if he ever has a problem with a Cabinet member's performance, he will speak to him or her directly.

-- Ms. Kreps said that the Cabinet knows that these stories cause the President more pain than they cause any individual member of the Cabinet.

The meeting was adjourned by the President at 11:04 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jack Watson". The signature is written in dark ink and has a long, sweeping horizontal line extending to the right.

Jack H. Watson, Jr.

THE WHITE HOUSE
WASHINGTON
September 12, 1977

Bob Lipshutz

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The First Lady

RE: PLAINS, GEORGIA, PROPERTY

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input checked="" type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	LANCE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input checked="" type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

September 10, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Bob Lipshutz *BJL*
SUBJECT: Plains, Georgia, Property

*Bob - go ahead
& lease entire
Gnann tract.
Remodeling of house
and garage ~~off~~
apartment ok. Don't
build anything absent
my approval. Get
rid of mobile
homes - J.C.*

In response to your recent memorandum, I have reviewed this with the Secret Service, who has done some additional investigating for us.

If all of the Gnann property is leased, there would be no further need for mobile homes to serve the Secret Service. The present Gnann home would be adequate for that purpose after the improvements have been made.

With reference to the timing of putting additional buildings on the land for office use, this would be entirely up to you.

Regarding office space for the staff of former Presidents, in the case of former President Nixon there are portable buildings located on government property adjacent to his San Clemente home, which provide approximately 850 square feet of private office space for him and 7,788 square feet of office space for his staff. The annual rental cost is \$50,420. With reference to former President Ford, a building is located on private land which is leased to the government for this purpose; it includes 654 square feet of office space for the former President and 3,179 square feet of office space for his staff. The annual space cost is approximately \$30,400. Incidentally, during his term of office former President Nixon actually had a great deal more land and space than he does as the former President.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

September 12, 1977

Hamilton Jordan

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

RE: STATUS OF PRESIDENTIAL
APPOINTMENTS

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
✓	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SIGNED

cc Ham
J

STATUS OF PRESIDENTIAL APPOINTMENTS

September 9, 1977

Status of
Prior Report
9/2/77

U.S. CIRCUIT COURTS

Appointed.....	0	0
Vacancies.....	11*	11
Nominations at Senate.....	4	4
Nominations at White House.....	0	0
Final Process at Justice.....	2	0
In Process at Justice.....	2	4

U.S. DISTRICT COURTS

Appointed.....	9	9
Vacancies.....	24*	24
Nominations at Senate.....	6	6
Nominations at White House.....	1	0
Final Process at Justice.....	1	0
In Process at Justice.....	4	5

U.S. COURT OF CLAIMS

Vacancies.....	2*	2
----------------	----	---

U.S. ATTORNEYS (94 positions)

Appointed.....	39	39
Nominations at Senate.....	5	2
Nominations at White House.....	2	4
Final Process at Justice.....	4	4
In Process at Justice.....	14	16

U.S. MARSHALS (94 positions)

Appointed.....	22	22
Nominations at Senate.....	25	20
Nominations at White House.....	1	4
Final Process at Justice.....	4	4
In Process at Justice.....	24	27

*We are awaiting recommendations from commissions or Senators on vacancies where there are no candidates.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

September 12, 1977

Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

RE: REVISED BAKKE BRIEF

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	LANCE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

Confidential

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

Stu
J

September 10, 1977

MEMORANDUM FOR THE PRESIDENT AND VICE PRESIDENT

FROM: Stu Eizenstat
Bob Lipshutz

RE: Revised Bakke Brief

Stu
J

We have reviewed Justice's revised brief in the Bakke case, which we received last evening. The brief was written prior to the meeting yesterday which established certain principles for handling this case and so does not incorporate these principles.

For the most part the revised brief is the same document which Justice submitted last week, with two important changes. First, there is a new introductory section to the argument which concedes the evidentiary difficulties and says that "too much is unknown about the Medical School's program to allow a confident assessment of its constitutionality" (p. 20). Second, the conclusion is not yet written, and Justice says it is considering four different positions to take on the constitutionality of the University's program, including two which would permit us to avoid passing on the question (see p. 86).

As rewritten, even with the changes mentioned, the brief still poses major problems:

1. Constitutionality of the University's Program. Although the revised brief, as noted, appears more flexible on this question, apparently Justice is still inclined to "evaluate the Medical School's program as the evidence and record show that it has been applied to respondent" (p. 21), although the brief notes that as indicated above, "too much is unknown about the Medical School's program to allow a confident assessment of its constitutionality". Given both

the uncertain nature of the evidence and the political realities, we continue strongly to believe that we should avoid taking a position on any aspect of the constitutionality of the University's program. By insisting on taking a position on its constitutionality, the Justice brief gets itself -- and the Administration -- in trouble.

2. The Proper Legal Standard. The brief argues in various places that all racial classifications -- including all affirmative action programs -- should be subject to "strict scrutiny" or "the most exacting scrutiny" (p. 25) or "special justification" (p. 32) or "searching scrutiny" (p. 35) or "grave suspicion" (p. 37). Yet nowhere does the brief elaborate with any precision how any racial classification can successfully survive such examination. Indeed, if such a rigid standard and burden of proof are created, then even clearly constitutional affirmative action programs would be difficult to justify.

The argument to date has been between those who say that all racial classifications must be strictly scrutinized, and hence are presumptively unconstitutional (Justice), and those who argue that classifications favorable to minorities should be judged on a lenient, rational basis (HEW). We believe that the two approaches can be reconciled in a manner which would protect most reasonable affirmative action programs, with an argument similar to the following:

1) any racial classification should be closely evaluated;

2) if an affirmative action program is challenged, the institution defending the program must do more than state in conclusory fashion that the program is intended to assist the victims of discrimination; rather the institution has the burden of going forward (not the ultimate burden of proof) and must demonstrate that, in fact, such assistance is necessary and that some resort to minority status is an essential element of the remedial program (in the present case the University could easily make such a showing for blacks and chicanos -- but probably not for Asians);

3) once the institution has shown that it has a legitimate purpose in using minority status -- and remedying the effects of discrimination (by either itself or society at large) is probably the only legitimate purpose -- it has discharged its evidentiary obligation;

4) the burden of going forward would then shift to those attacking the program to show that it was designed so that race was the sole factor considered and that other important values -- e.g., qualifications -- were ignored. If the plaintiff could make such a showing -- which would amount to proving that a rigid quota was used -- then the program could not be sustained.

We believe that an intermediate standard along these lines makes both legal and practical sense. It recognizes that resort to race should not be treated lightly, but it does not give the proponent of an affirmative action program an impossible burden (as may be the case if the standard is strict scrutiny).

3. Support for Affirmative Action. The brief still contains no forthright, consistent advocacy of affirmative action programs. It is still internally contradictory on this point, sometimes supportive, sometimes opposed. For example, at p. 53A the brief states that "race is relevant to making admissions decisions," while earlier at p. 41 it argues that "the overriding principle here is that race is deemed irrelevant to informed decisionmaking." These shifts of position occur throughout the brief. It is not a coherent whole.

4. References to Race and to Race or Color Consciousness. While some changes have been made to use "minority status" for "race" and "minority sensitive" for "race" or "color conscious," as we earlier suggested, those provocative terms are still interspersed throughout the brief.

CONCLUSION

The basic points made above are similar to the general principles agreed upon yesterday. In order to incorporate these into the brief, we believe that it must be substantially restructured and rewritten. Further editing will not suffice.

We attach a proposed statement of the position of the U.S. developed by Wade McCree. You will note it largely tracks the statement we developed yesterday after the meeting with the Vice President and the Attorney General.

SUBSTANTIAL REWRITING IS REQUIRED. WE BELIEVE THAT IT IS MUCH PREFERABLE TO TAKE THE ADDITIONAL DAY OR TWO NECESSARY TO FILE AN ADEQUATE BRIEF, THAN TO FILE SOMETHING INADEQUATE ON MONDAY.

Position of the United States As Outlined in the
Proposed Bakke Brief Prepared by the Solicitor General

1) The U.S. strongly supports, encourages and promotes affirmative action programs to help bring disadvantaged minorities into the mainstream of American life in jobs, educational institutions and all walks of life. The court is urged to reverse the sweeping and erroneous interpretation of the equal protection laws by the California State Supreme Court that race may not be considered in affirmative action programs.

2) The U.S. believes that rigid, inflexible racial quotas -- which have the effect of barring people who may have disadvantages similar to those of racial minorities from participation in certain programs solely because of their race -- does not pass constitutional muster.

3) The U.S. is convinced from a review of the sparse record that the Bakke case may be an inadequate vehicle for determining the limits of affirmative action as posed in the administration of the special admissions program of the University of California.

4) In the event the court does not dismiss the writ as having been improvidently granted because of the inadequacy of the record, or remand for additional fact-finding, profound constitutional questions will be posed that vitally involve the interest of the United States. Because of the overriding importance of these questions the United States feels compelled to set out its position favoring vigorous affirmative action and opposing rigid quotas. The disposition of Bakke's individual claim because of the peculiar facts presented by this sparse record, and the failure of the University to contest his claim adequately, affects no interest of the United States. As amicus, therefore, we propose to make no suggestion to the court as to ultimate disposition.

**Electrostatic Copy Made
for Preservation Purposes**

*ok, but hate
to see Bakke
excluded from
Med School
J*

THE WHITE HOUSE
WASHINGTON

September 13, 1977

The Vice President
Midge Costanza
Hamilton Jordan
Frank Moore
Jody Powell
Jack Watson
Bert Lance
Charlie Schultze

The attached has been forwarded
to the President. This copy is sent
to you for your information.

Rick Hutcheson

REVISED BAKKE BRIEF

THE WHITE HOUSE
WASHINGTON

September 12, 1977

Stu Eizenstat
Bunny Mitchell

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

RE: NAACP AND BAKKE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

September 12, 1977

MEMORANDUM FOR: TIM KRAFT
FROM: BUNNY MITCHELL

B.

The NAACP national board is meeting in New York today. Anxiety over Bakke is at fever pitch. The board requested a meeting with the President today to share their concerns over our alleged (and previously published) position.

I convinced them a meeting was not necessary; however, I do believe reassuring words from the President to Ben Hooks (via telephone) would be very helpful.

The press is swarming around the Board waiting for them to issue acrimonious statements. Hooks will have a press conference today.

Please see if the President is amenable to receiving a phone call from Hooks around 3:30-4:30 p.m. today.

Thanks.

(Please advise -- they'll call me around 3:00 p.m.)

Electrostatic Copy Made
for Preservation Purposes

No- Let
Stu call Hooks
J

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

September 12, 1977

Mr. President:

I am planning to be away from the office tomorrow and a half a day on Wednesday due to the religious holiday, Rosh Hashanah.

I will leave a number where I can be reached.

Stu
Stu

C

Electrostatic Copy Made
for Preservation Purposes

3:00 PM

THE WHITE HOUSE
WASHINGTON

September 12, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M.*
SUBJECT: MEETING WITH REP. PETER W. RODINO, JR. (D-NJ)

While campaigning in New Jersey on Saturday, you told Congressman Rodino that you would meet with him today or tomorrow. The appointment has been scheduled for 3:00 p.m. today. Chairman Rodino will want to discuss the Bakke case. He will be supportive of the position of the Black Caucus. Attached is the most recent memo from Stu's office concerning this matter.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

September 12, 1977

Zbig Brzezinski

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

UNSIGNED LETTER TO GEORGE MEANY

THE WHITE HOUSE
WASHINGTON

5286

September 9, 1977

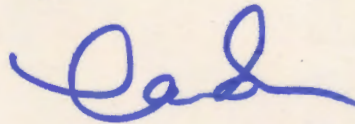
Landon,

The attached deals with a friend
of yours, Mr. George Meany.
Once you have reviewed the letter,
would you indicate your concurrence
and send it in. If you have problems
with it, please let me know.

Rick Inderfurth

Rick Hatclon -

OK -



THE WHITE HOUSE
WASHINGTON

Mr. President:

Landon Butler concurs with
Brzezinski's recommendation.

Rick (wds)

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		LANCE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
X	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

ACTION

September 9, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI

SUBJECT: Letter from George Meany

3619-5286
Next time
send letters to
me like
this one
J

George Meany has written to you concerning the Shcharanskiy case (Tab B), urging that you use every means at your disposal to secure his release. We did not forward a response to you sooner because we were concerned that release of the letter by Meany prior to or during the proposed Vance-Gromyko meeting in Vienna would have been disruptive.

Attached at Tab A is a proposed response, reiterating that Shcharanskiy has no CIA connections and that U.S. concern has been communicated to the Soviets through many available channels. The text has been cleared by Jim Fallows, and State.

RECOMMENDATION:

That you sign the letter at Tab A.

THE WHITE HOUSE

WASHINGTON

President
To George Meany

Thank you for your letter of ~~August 11~~, expressing concern *about*
~~for~~ Anatoliy Shcharanskiy.

As you know, Mr. Shcharanskiy ^{*still*} remains in detention.
To our knowledge he has not been formally charged by
the Soviet authorities.

I publicly stated on June 13 that the allegations in the Soviet
press that Mr. Shcharanskiy had a CIA connection were
untrue. I will continue to follow his case with the hope that
the Soviet authorities will release him.

I share your concern for him, and that concern has been *and*
communicated to the Soviet Government through ~~many~~ *available*
channels.

I appreciate receiving your views about this case.

Sincerely,

will continue to be

Mr. George Meany
President, Federation of Labor
and Congress of Industrial
Organizations
815 Sixteenth Street, N. W.
Washington, D. C. 20006

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

EXECUTIVE COUNCIL

GEORGE MEANY

PRESIDENT

LANE KIRKLAND

SECRETARY-TREASURER

PAUL HALL
MAX GREENBERG
MATTHEW GUINAN
THOMAS W. GLEASON
JERRY WURF
GEORGE HARDY
WILLIAM SIDELL
ALBERT SHANKER
FRANCIS S. FILBEY
HAL C. DAVIS
CHARLES H. PILLARD

I. W. ABEL
JOHN H. LYONS
C. L. DENNIS
FREDERICK O'NEAL
S. FRANK RAFFERTY
AL H. CHESSE
MURRAY H. FINLEY
SOL STETIN
GLENN E. WATTS
EDWARD T. HANLEY
WILLIAM H. MCCLENNAN

PAUL JENNINGS
A. F. GROSPIRON
PETER BOMMARITO
FLOYD E. SMITH
JAMES T. HOUSEWRIGHT
MARTIN J. WARD
JOSEPH P. TONELLI
C. L. DELLUMS
SOL C. CHAIKIN
ANGELO FOSCO
J. C. TURNER



815 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006

(202) 637-5000

August 11, 1977

The President
The White House
Washington, D. C.

Dear Mr. President:

Yesterday I received a visit from Natalia Scharansky, whose husband Anatole, as you know, was arrested by the Soviet authorities on March 15 and accused of espionage for the CIA. While we have no way of knowing when he will be brought to trial, he has already been tried in the Soviet press, along with several of his human rights collaborators, likewise accused of espionage.

Mr. President, I was deeply moved by the story of this courageous young lady, separated from her husband after one day of marriage more than three years ago. She has had no word from him in five months. She cannot even be sure that he is alive. His aged parents have been denied the right to see him, and no lawyer has been allowed. On a simple human level, the treatment of Mr. Scharansky and his family by the Soviet authorities is a chilling reminder of the hardened cruelty of this regime.

Despite her personal hardship, however, Mrs. Scharansky's appeal to me was not on behalf of her husband alone but on behalf of the cause he represents and which his fellow freedom fighters have joined at incalculable risk to themselves and their families. In my judgment, Mr. President, that cause is not only embraced by the powerful moral principles you have enunciated, but must have an impact on the kind of relationship we can expect to have with the Soviet Union.

I should like to suggest, Mr. President, that our government's attitude toward the imprisonment of Mr. Scharansky should be shaped by the following facts.

First, Mr. Scharansky's difficulties initially arose out of his application to emigrate to Israel in 1973, a request which was refused and which led to dismissal from his job. The refusal to allow Mr. Scharansky to leave the Soviet Union is, of course, a blatant violation of the Helsinki Agreement. Secondly, the harrassment of Mr. Scharansky was intensified as a consequence of his joining the distinguished group monitoring the Helsinki Agreement, chaired by Dr. Yuri Orlov.

Thus, actions taken against Mr. Scharansky cannot be regarded as an "internal affair" -- whatever that may mean -- but, rather, reflect the contemptuous attitude of the Soviet government toward an Agreement which it signed with our country and 33 others. The arrest of Mr. Scharansky and the clear threat to the other accused individuals -- all of whom happen to be Jewish -- can only be viewed as further enfeebling an international agreement already eroded by one-sided observance. How long can this asymmetrical adherence to the Helsinki Agreement continue before the whole world perceives the Agreement to be worthless.

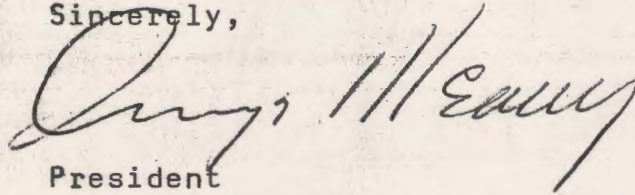
Finally, Mr. President, the decision of the Soviet authorities to accuse Mr. Scharansky of spying for the CIA effectively puts not only Mr. Scharansky but the United States government on trial. It will thus strike many Americans as a direct and brutal response to your human rights campaign and to your efforts to achieve a fair and balanced relationship with the Soviet Union.

In our conversation, Mrs. Scharansky expressed her gratitude for your public declaration that her husband has had no connections with the CIA. That was very helpful. Yet the cause of human rights will not be greatly advanced if the Soviet authorities drop that absurd charge -- which could carry the death sentence -- and substitute "slander of the Soviet system," which might bring seven years in prison and five years internal exile. While any amelioration of his plight would be welcome, true justice can only be served by the release of Anatole Scharansky and the granting of permission for him to be reunited with his wife.

I cannot presume to know, Mr. President, what means you may have at your disposal to impress upon the Soviet authorities the gravity of our concern for Mr. Scharansky and his associates.

Whatever they may be, I urge you to employ them to the fullest extent. At stake is not only the future of Anatole Scharansky but the credibility of the Helsinki Agreement.

Sincerely,

The signature is written in dark ink and is a cursive representation of the name Dwight D. Eisenhower. It is positioned to the right of the word 'Sincerely,' and above the word 'President'.

President

THE WHITE HOUSE
WASHINGTON

To President George Meany

Thank you for your letter expressing concern about Anatoliy Shcharanskiy.

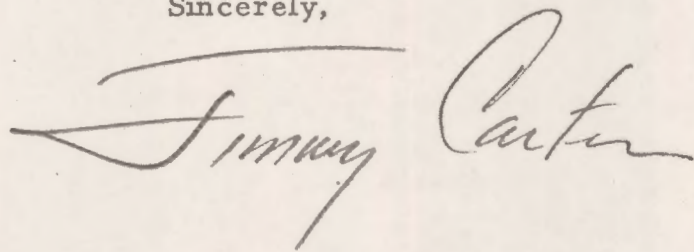
As you know, Mr. Shcharanskiy still remains in detention. To our knowledge he has not been formally charged by the Soviet authorities.

I publicly stated on June 13 that the allegations in the Soviet press that Mr. Shcharanskiy had a CIA connection were untrue. I will continue to follow his case with the hope that the Soviet authorities will release him.

I share your concern for him, and that concern has been and will continue to be communicated to the Soviet Government through available channels.

I appreciate receiving your views about this case.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is fluid and cursive, with a large, sweeping "J" and a long, horizontal stroke extending from the "t" in "Carter".

Mr. George Meany
President
Federation of Labor and
Congress of Industrial
Organizations
815 Sixteenth Street, N.W.
Washington, D. C. 20006

230 PM

THE PRESIDENT HAS SEEN.

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

September 10, 1977

MEETING WITH THE INTERAGENCY COUNCIL
FOR MINORITY BUSINESS ENTERPRISE

Monday, September 12, 1977
2:30 p.m. (10 minutes)
The Cabinet Room

From: Stu Eizenstat

Stu

I. PURPOSE

To announce your support for government-wide efforts to stimulate the development of minority business enterprise.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: The Interagency Council (IAC) is a product of a 1971 Executive Order which committed the federal government to assist minority business development. The IAC is chaired by Sidney Harmon, the Under Secretary of Commerce. Although it was used little in recent years, the IAC can serve as a useful mechanism for developing policy and coordinating existing efforts in this field. The IAC is composed of the under secretaries of the Executive Departments and the administrators of some independent agencies.

B. Participants: About thirty representatives of executive departments and agencies.

C. Press Plan: Press photo opportunity.

III. TALKING POINTS (A prepared statement is attached)

1. This is an historic meeting because it is the first time the Interagency Council has met with the President and in the White House to discuss the issue of minority business development.

X

2. As an Administration, we should strive to increase the number of minority employers, as well as the number of minority employees.
3. Today's meeting should be viewed as just the beginning of a policy-making process. The Council should meet regularly and consult widely with minority businessmen and other concerned public and private citizens in order to establish a predictable, long-range policy concerning the role which government should play in assisting the development of minority business enterprise.

THE WHITE HOUSE
WASHINGTON

September 12, 1977

Secretary Harris

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

RE: AMICUS CURIAE BRIEF FOR THE
U.S. IN THE REGENTS OF THE
U. OF CA. V. ALLAN BAKKE

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

cc Secretary Harris -
1st page only

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

September 10, 1977

cc Pat-
I talked to
Stu
C

MEMORANDUM FOR: The President

SUBJECT: Amicus Curiae Brief for the United States in The Regents of the University of California, v. Allan Bakke

This morning I saw for the first time a copy of a draft of the above-captioned brief. This proposed brief is, in my judgment, both legally and politically bad. I believe you should not approve the brief.

I. Nature of the Presidential Decision.

Your decision should be based upon whether you wish to ask the Supreme Court, on the record in this case, to make a new statement of the law, or whether, instead, you wish your Attorney General to advise the Court on the question of the permissibility or impermissibility under existing Constitutional doctrine, of the denial of admission to Bakke by the University of California.

I believe, and strongly advise, that you should publicly state that you do not wish to politicize this issue, and that you have asked the Attorney General to advise you and the Court whether the Constitution prohibits the selection process used by the Univeristy of California.

II. The Present Position Stated in the Brief.

The Government has answered yes to the question of whether a State University may take into account the race of applicants in making offers of admission to its medical school. The cases cited in the brief are strong support for this position, as are the data showing the reality of deprivation of opportunity resulting from membership in a racial minority. I believe you should support this position strongly.

Electrostatic Copy Made
for Preservation Purposes

Conversely, the Government's brief finds the process used by the University of California constitutionally unacceptable.

There is no reason, as a matter of law or fact, why the method used in the Bakke Case should be held constitutionally unacceptable. It appears that all of the minority applicants were educationally qualified to study medicine. This being the case, race was only one of several decisional criteria established in advance. If race is an acceptable criterion, as the brief agrees, there is no reason to find the University of California selection process unacceptable.

I have attached hereto a statement of the approach that I believe the Government's brief should take.

Pat

Patricia Roberts Harris

Attachment

cc: Stu Eizenstat
Bob Lipshutz



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

Suggested Approach to the Issues in The Regents of the
University of California v. Allan Bakke

The first question that must be answered in determining the issues presented by this case is the following:

What persons were potentially entitled to admission to the University of California Medical School? Bakke's case is based upon an assumption that such entitlement is limited to those persons with the highest grade point averages and the highest aptitude tests scores.

However, it is more consonant with the requirements of the United States Constitution to find that the intended beneficiaries of a State financed educational system are all those persons who are capable of qualifying to practice medicine. Thus, all persons who meet the base line requirements deemed necessary to complete the medical school curriculum and to practice medicine are potential beneficiaries of a State supported medical school.

Obviously, there are not sufficient seats in the medical schools of this country to permit acceptance of all the persons fully qualified to pursue a medical school education. Therefore, criteria must be established to choose from among the universe of those who could successfully complete a medical school education.

When benefits must be allocated to fewer than the universe of potential beneficiaries of a publicly supported activity, the law requires only that the allocations be fair, and that the terms of the allocation be known in advance to those who seek and meet the requirements necessary to receive the benefits.

The most obvious way to secure across-the-board appearance of fairness would be the institution of a lottery in which beneficiaries are chosen at random.

A second method is to determine levels of qualification solely on the basis of past demonstration of aptitude, i.e., grades, test scores, etc.

A third, that used by the University of California Medical School, provides for the establishment of a variety of criteria: past demonstration of ability, (i.e., grades, test scores); presence or absence of the likelihood that past deprivation of opportunity because of race resulted in lower test scores or grades than those of majority groups applicants; personality attributes; individual interests and commitment; and prediction of future community services and relationships.

The method that was used by the University of California Medical School was not constitutionally impermissible.

So long as the criteria used by the University were known in advance to applicants, and so long as they were fairly applied, the fact that race is used to weight other factors does not make the University's selection process constitutionally unacceptable.

It is essential that an admission process not be arbitrary or capricious in its application, but grade point averages and test scores are not the only constitutionally permissible criteria for determining admission to medical schools. Test scores and grades do not appear to have been the only criteria for admission of white students to the medical school. The requirement of an interview strongly suggests that elements of personality, personal commitment and future plans were weighed in all admission decisions.

So long as all persons admitted are qualified to pursue a medical education, a selection process that chooses among equally deserving persons may use any and all rational criteria likely to insure a medical profession that will not only be competent, but that will also show a broad range of interest, experience and personal commitment.

The record shows that the grade point average and scores of some minority admittees were higher than those of some white admittees, and some were lower. However, all the students admitted, white and black, were qualified to pursue a medical education. So long as the selection process was fairly and rationally applied to all such qualified persons, it is constitutionally acceptable.

Pat

Patricia Roberts Harris

9-10-77

THE WHITE HOUSE
WASHINGTON
September 12, 1977

Stu Eizenstat
Jody Powell

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Hamilton Jordan
Frank Moore

RE: SHIPPINGPORT BREEDER
REACTOR CEREMONY

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
/		EIZENSTAT
	/	JORDAN
		LIPSHUTZ
	/	MOORE
/		POWELL
		WATSON
		LANCE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

September 9, 1977

Stu
C

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY SCHIRMER *KS*
REX GRANUM *Rx*
STU EIZENSTAT *Stu*
SUBJECT: SHIPPINGPORT BREEDER REACTOR CEREMONY

We have followed up on Jim Free's memo to you, and have explored the possibility of arranging for you to pull the switch on the Shippingport Breeder Reactor next week prior to the vote on the Clinch River Breeder Reactor.

We had a lengthy meeting on Shippingport with Admiral Rickover's representative today.

Because the Clinch River vote is expected Friday, the event would need to be, at the latest, Thursday. The Thursday date is the earliest full capacity at Shippingport could be achieved.

While, in response to our exploratory questions, Admiral Rickover has instituted a program to achieve full power at Shippingport by next Thursday, we recommend against trying to link Shippingport with the Clinch River vote.

This is because:

- On ERDA's original schedule, the event would not be held until November or December, and the hurried-up nature of a Thursday event would almost inevitably become part of the press reports.
- The reactor has not yet been tested at 100 per cent capacity, and their original schedule calls for completing the testing over the next six weeks. Although Admiral Rickover is pushing full steam ahead to get to full power by next week, there is always the possibility of unanticipated delays or problems. The major news peg for a Thursday event is achieving full power at Shippingport, and missing this goal would cause embarrassment.

- Thursday will be a full news day with the Lance hearings, French Prime Minister Barre's visit, and Mrs. Carter's preliminary Mental Health Commission report. These events make it more difficult to get evening news coverage.
- The impetus for doing this next week is to clarify your views on Clinch River. The same objective can be achieved by making an opening statement in your news conference scheduled for Wednesday, and coverage is more certain. You could include a status report on the Shippingport Breeder in that statement and reiterate your intent to throw the switch later this fall. You would also have more flexibility to talk about other aspects of our advanced nuclear R & D program.

Because of our exploratory questions, Admiral Rickover is now gearing up for full power by next Thursday, and we wish to give him an answer one way or the other by this evening.

If you agree that the switching-on should wait until November or December, we will continue to work with the Admiral's representative to insure that the event then is a success.

- ☒ Agree with recommendation
- ☐ Disagree
- ☐ Discuss further

Electronatic Copy Made
for Preservation Purposes

*Prepare press
Conference statement
for Wed.
J*

THE WHITE HOUSE
WASHINGTON

September 12, 1977

Jim Fallows

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

UNITED WAY TAPING

September 10, 1977

Memo for the President

From Jim Fallows *JF*

Subject; United Way Taping

Here are two drafts of a brief statement you are supposed to make for the United Way.

The second statement is a revision of the one the United Way sent over; it's essentially an advertisement for them. Because your statement is going to be carried over all three networks in prime time, I thought it was worth trying to do a little more than that. The first statement is one I've written which is more about voluntary efforts in general. It only mentions the United Way once or twice. I hope you will choose to make a statement of this type, rather than the safer version the United Way wants; but if this doesn't seem right I will be happy to make changes.

As soon as you have decided on a text, will you let Barry Jagoda know, so that he can put it on the teleprompter for the taping? Thank you very much.

*Jim- No time
for me to rewrite -
I prefer format of
2nd version best. Don't
like JFK quote or
religious reference. Cut
down on United Way ref's
in 2nd &
use it. Do not
lengthen
J*

**Electrostatic Copy Made
for Preservation Purposes**

FIRST

UNITED WAY TAPING

Thank you, and good evening.

I would like to speak with you for a moment not as President, but as a father and grandfather who shares many of the same concerns that other parents and members of communities throughout our nation feel.

I have spent most of my life in parts of the country where voluntary efforts to help our neighbors have been a natural part of everyday life. That tradition is part of our heritage as a nation. One hundred years ago, farm families raised barns together. During times of hardship, we have all been willing to share.

Our country is very different now than in the days of the pioneers. The government does more of the things we used to do for ourselves, and fewer of us live in small communities where families know each other well. But I believe it is just as important as ever that we maintain

the spirit of helping each other voluntarily, helping each other not because the government compells us, not merely because we can make a profit, but because it is right.

One reason voluntary efforts are important is that they are the only way we can meet some of our most important national needs. There are many things that even the best government cannot do. There is not enough money to pay for all the help our older people need, whether it is in preparing their meals, helping them get around town, or simply keeping them company. The government can never provide all the love, attention, and discipline that children without fathers or mothers need so that they can learn the principles of right and wrong, learn how to read, and make everything they can of their lives.

In every part of the country, from the inner cities to the national parks, from centers for the handicapped to daycare facilities, in education and recycling and energy conservation, there is work that needs to be

done. It can be--but only if we decide to do it for ourselves.

Our government should carry out its proper responsibilities as well as it can. But my experience as a legislator, governor, and now as President has convinced me that government ~~never~~ does its job so well as when our private citizens freely decide to do as much as ~~they~~ can themselves.

There is another reason why we have to rediscover our tradition of voluntary effort. Helping other people is part of being complete as human beings. My family's commitment to voluntary action has been ^{largely} based on our religious belief. But whatever faith someone may have, or none at all, all of us know that sharing with others, and looking beyond our own interests to the interests of society, is part of a rich, full human life. That is a lesson I have tried to teach my children, and one I feel is important for all of us as Americans. We are never so true to ourselves, as individuals and as a nation, as when we freely help others.

The organizations of the United Way have long stood for the voluntary tradition in America. I have seen their programs that help the aged, the sick, and the handicapped through agencies such as the Mental Health Association, the Red Cross, the Urban League, Family Counselling, Boy and Girl Scouts, Children's Welfare Services, the YMCAs and YWCAs, the Salvation Army, and many others.

United Way's low-cost approach of raising money in a single campaign, at the workplace, is a sensible, efficient way of raising funds and delivering services. I want to salute the millions of United Way volunteers and professionals, and to urge each of you to give your fair share.

In whatever way you can, I hope you will remember the importance of voluntary action. In 1961, President Kennedy said, "Ask not what your country can do for you; ask what you can do for your country." Now I hope we can say, "Ask not what your country can do for you, but what we can do for each other."

SECOND

REMARKS FOR VIDEO-TAPE MESSAGE FOR NATIONAL UNITED WAY
CAMPAIGN, September 12, 1977

Thank you, and good evening. Tonight, I would like to speak with you as a volunteer. Throughout my life, I've seen the difference that voluntary efforts can make in people's lives. As a Governor and now as President, I have come to appreciate the vital role that voluntary agencies play as partners with our governmental efforts. I know the personal value of service as a local volunteer.

My wife Rosalynn and I continue to be involved in a variety of voluntary agencies and programs.

We've seen voluntary programs that serve the aged, the sick and the handicapped, through agencies such as the Mental Health Association, the Red Cross, the Urban League, Family Counselling, Boy and Girl Scouts, Children's Welfare Services, the YMCAs and YWCAs, the Salvation Army, visiting nurses and many others. United Way agencies are helping

to create a healthy climate in which we can care for our parents and grandparents, raise our children, and reinforce the strength of the family.

This humane work represents a strong expression of our religious traditions. It gives each of us the opportunity to fulfill our spiritual commitment to reach out to one another.

Voluntary effort is also part of our heritage as a free society. Throughout our history, people have come together voluntarily, whether it was to raise a cabin, care for the needy, or share what little they had. Our people have always helped one another. That spirit of sharing overcame great obstacles and built our nation. I believe that spirit is still alive in our people today.

Voluntarism is important for another reason: it provides a balance between the government and our private citizens.

It gives people the opportunity to act because they feel a cause is important, not because the law requires them to, or because it's profitable. In America, through the voluntary sector, the individual can decide on his or her personal level of involvement and commitment. This freely-chosen diverse effort makes for better government and a better society.

United Way's low cost, single campaign approach at the place of work is an efficient, sensible, fully-accountable way of raising funds and delivering services.

Today, in every aspect of our lives, we must look for ways to reduce waste and conserve our scarce resources. One of our most precious resources is the time and talent of our people, and the voluntary programs help us use it in the most efficient way. Coordinated efforts, like the United Way, help us deliver voluntary services to the people, and in the places, that need them most.

By meeting your local United Way community's goal,
each of you can make a major contribution to ensuring
that our nation's system of voluntary action remains strong.
United Way's "Program for the Future" has a goal of three
billion dollars. Reaching that goal will give us all a
greater opportunity to express our own humanity and com-
passion for one another.

I want to salute the millions of United Way volunteers
and professionals all across the country, who work throughout
the year. And to thank you, the contributors, and ask for
your fullest "fair share" contribution, in continuing to
make these good works possible. Thanks to your support, it
will work, for all of us, the United Way. Thank you, and
good night.

#

THE WHITE HOUSE
WASHINGTON
September 9, 1977

HOLD
not submitted
revised

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS

SUBJECT: Video Tape for National United Way Campaign

Suggested remarks are attached for the taping of the
United Way Campaign kick-off.

SEP 10 1977

REMARKS FOR VIDEO-TAPE MESSAGE FOR NATIONAL UNITED WAY
CAMPAIGN, September 12, 1977

Thank you, and good evening. Tonight, I am speaking to you not only as the President, but as a volunteer. Throughout my life, I've seen the important role that voluntarism plays in the lives of people. As a Governor, I came to appreciate the vital role that voluntary agencies can play to complement our governmental efforts. I know the value of personal involvement on the local volunteer level.

My wife Rosalynn and I continue to be involved in a variety of voluntary agencies and programs.

We've seen voluntary programs that serve the aged, the sick and the handicapped, through agencies such as the Mental Health Association, the Red Cross, the Urban League, Family Counselling, Boy and Girl Scouts, Children's Welfare Services, the Y's, the Salvation Army, visiting nurses and

many others. United Way agencies are helping to create a healthy climate to protect our children and maintain and preserve the family.

This humane work represents a strong expression of our religious traditions. It provides to each of us the opportunity to fulfill our spiritual commitment to reach out to one another.

Voluntarism is a unique part of our birthright in a free, democratic society. Our founding fathers volunteered to create a Declaration of Independence and give birth to a new nation. People came together voluntarily, whether it was to raise a cabin or share what little they had, people helped each other. That pioneer spirit overcame great obstacles. They built a great nation, and in the process, created a spirit that is still alive in our people today.

Voluntarism is important for another reason. Voluntarism provides a balance between the governmental sector and the private sector. It affords people the opportunity to act

for what they feel is important, not because the law requires it, or because it's profitable. In America, through the voluntary sector, the individual can find his or her personal level of involvement and commitment. This diversity of effort makes for a better government and a better society.

United Way's low cost, single campaign approach at the place of work achieves efficiency and accountability in raising funds and delivering services.

Today, in every aspect of our lives, we must reduce waste and conserve our precious resources. It is for this reason that I value the efficient use of our human resources through the voluntary programs of the United Way. It turns volunteers, your neighbors and friends, to the community wide tasks of budgeting and allocating our voluntary resources. This is never an easy task, but it is a good way to provide equity in the distribution of services to people. It ensures professional services and public accountability that are the rights of every

recipient and every contributor.

Meeting your local United Way community's goal will be a major contribution to ensuring a strong voluntary system for this nation. United Way's "Program for the Future" strives to reach three billion dollars and bring the voluntary sector to its fuller capacity, an effort that will afford all of us the opportunity to express our own humanity and compassion for one another.

I want to salute the millions of United Way volunteers and professionals all across the country, who work throughout the year. And to thank you, the contributors, and ask for your deepest consideration and your fullest fair share contribution, in continuing to make these good works possible. Thanks to your support, it will work, for all of us, the United Way. Thank you, and good night.

#

THE WHITE HOUSE
WASHINGTON

Check w/ Fallowe to see
if this is replacement
text.

THE WHITE HOUSE
WASHINGTON

September 9, 1977

Rick:

The original has been sent to
Anne Edwards.

Jim Fallows

REMARKS FOR VIDEO-TAPE MESSAGE FOR NATIONAL UNITED WAY
CAMPAIGN, September 12, 1977

Thank you, and good evening. Tonight, I would like to speak with you as a volunteer. Throughout my life, I've seen the difference that voluntary efforts can make in people's lives. As a Governor and now as President, I have come to appreciate the vital role that voluntary agencies play as partners with our governmental efforts. I know the personal value of service as a local volunteer.

My wife Rosalynn and I continue to be involved in a variety of voluntary agencies and programs.

We've seen voluntary programs that serve the aged, the sick and the handicapped, through agencies such as the Mental Health Association, the Red Cross, the Urban League, Family Counselling, Boy and Girl Scouts, Children's Welfare Services, the YMCAs and YWCAs, the Salvation Army, visiting nurses and many others. United Way agencies are helping

to create a healthy climate in which we can care for our parents and grandparents, raise our children, and reinforce the strength of the family.

This humane work represents a strong expression of our religious traditions. It gives each of us the opportunity to fulfill our spiritual commitment to reach out to one another.

Voluntary effort is also part of our heritage as a free society. Throughout our history, people have come together voluntarily, whether it was to raise a cabin, care for the needy, or share what little they had. Our people have always helped one another. That spirit of sharing overcame great obstacles and built our nation. I believe that spirit is still alive in our people today.

Voluntarism is important for another reason: it provides a balance between the government and our private citizens.

It gives people the opportunity to act because they feel a cause is important, not because the law requires them to, or because it's profitable. In America, through the voluntary sector, the individual can decide on his or her personal level of involvement and commitment. This freely-chosen diverse effort makes for better government and a better society.

United Way's low cost, single campaign approach at the place of work is an efficient, sensible, fully-accountable way of raising funds and delivering services.

Today, in every aspect of our lives, we must look for ways to reduce waste and conserve our scarce resources. One of our most precious resources is the time and talent of our people, and the voluntary programs help us use it in the most efficient way. Coordinated efforts, like the United Way, help us deliver voluntary services to the people, and in the places, that need them most.

By meeting your local United Way community's goal, each of you can make a major contribution to ensuring that our nation's system of voluntary action remains strong. United Way's "Program for the Future" has a goal of three billion dollars. Reaching that goal will give us all a greater opportunity to express our own humanity and compassion for one another.

I want to salute the millions of United Way volunteers and professionals all across the country, who work throughout the year. And to thank you, the contributors, and ask for your fullest "fair share" contribution, in continuing to make these good works possible. Thanks to your support, it will work, for all of us, the United Way. Thank you, and good night.

#

THE WHITE HOUSE
WASHINGTON

September 12, 1977

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Hamilton Jordan

RE: WEEKLY LEGISLATIVE REPORT

—
cc FM

cc HT

p. 6

Electrostatic Copy Made
for Preservation Purposes

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

9

ADMINISTRATIVELY CONFIDENTIAL

September 10, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

FRANK MOORE

SUBJECT:

Weekly Legislative Report

1. ENERGY

Non-tax: The Senate Energy and Natural Resources Committee is scheduled to vote on natural gas pricing on Monday, September 12, or Tuesday, September 13. A vote was expected at the end of this week, but was postponed because of Secretary Schlesinger's briefing to members of that committee last Thursday. The vote is still too close to call and could go either way. DOE reports Senator Ford claims he still has not made a final decision on how he will vote.

-- The coal conversion measure passed the Senate on September 8, with few changes from the House-passed version (the Kennedy amendment was defeated 62-20).

-- The Senate began consideration of the conservation provisions of the NEA last Friday.

-- Senator Johnston's Subcommittee on Energy Conservation and Regulation completed hearings on utility rate reform on September 8. As a result, hearings have now been completed on all non-tax portions of the NEA. Senator Johnston has indicated more than once that he may hold up the controversial parts of the utility rate reform package until January. The non-controversial portions may be considered in the near future.

-- Senator Jackson will hold oversight hearings on the economic impacts of the crude oil equalization tax on September 19 (he has expressed concern about the overall economic impact of the plan).

Conference: The Speaker and Senator Byrd were to meet on Friday to discuss how to handle the conference or separate conferences on the bill.

Finance Committee: A brief summary of the Finance Committee staff's assessment of the NEA follows:

1. Residential provisions: Insulation provisions, despite early rumblings to the contrary, will probably be adopted.
2. Transportation: A stronger gas guzzler tax will probably be passed. Long may feel that by "giving" us something here, he can hit us hard elsewhere.

3. Crude Oil Tax: Senator Long will probably want to keep the tax in some form; the real fight will be on the Senate floor. As Long has suggested in the press, he supports a two-year, rather than three-year, phase-in.
4. Rebates: Long would probably support rebates to the poor, but not to everyone.
5. Plowback: Long is looking toward some sort of production stimulus, but is now leaning against a plowback mechanism. Although he would probably vote for such a provision, he understands how much opposition exists to the idea. He is presently thinking about the Rockefeller trust fund floated a couple of years ago.
6. Natural gas liquids: The committee staff thinks that we should work on some agreeable solution.
7. User tax: Most Senators and staff do not understand it. Committee staff suggests the possibility of a flat tax.

-- Senator Long has indicated that he would like to talk with Secretary Schlesinger to discuss the Senator's ideas and possible actions.

2. FOREIGN POLICY ISSUES

-- State, DOD and White House congressional liaison are coordinating closely on foreign policy issues.

AWACS: The Monday Senate AWACS hearing has been postponed until September 19 at the request of Senator Humphrey who wants to be present. GAO, with strong backing from Senator Culver, also asked for a delay in order to complete its critical review of the DOD study. On the House side, the HIRC is contemplating three hearings -- two by a joint sitting of the Zablocki and Hamilton Subcommittees and one by the full House Committee -- but no scheduled has been set.

-- Opponents of the sale will concentrate their efforts on emphasizing shortcomings and discrepancies in the just-completed DOD study, and perhaps on inclusion of the sale under the FY 1977 ceiling. Your two previous letters in large part met congressional concerns regarding security problems and foreign policy implications of the sale.

-- Studds and Culver reportedly held a strategy session and agreed to delay submitting their resolutions of disapproval in order to prevent speedy resolution of the issue.

-- Our strategy continues to be an early favorable vote by the House Committee. However, in the Senate Committee, John Culver will attempt to challenge our credibility for purposes of re-energizing opposition to the sale. The Senate staff will push for a vote after the September 19 hearing. Barring unforeseen problems, we could win that vote by a 9-7 margin (this assumes that Humphrey and Case are with us and that Sarbanes and Pearson, two questions marks, will vote against).

-- In both House and Senate Committees, we hope to gain as many commitments as possible before the hearings commence so that our chances for victory are not dependent on the vagaries of the GAO-DOD showdown over the comparative study.

Panama: Now that the Treaty-signing week is over, attention turns again to the struggle on Capitol Hill. The House International Relations Committee held the first in a series of Panama Canal hearings on Thursday with Bunker and Linowitz as the lead-off witnesses. The Committee was remarkably positive, although the property transfer decision was questioned by friend and foe alike. On the Senate side, Reagan was the star attraction before the Allen Subcommittee on Separation of Powers. Reagan attacked the treaty but not with the vigor of his '76 effort, which is more evidence that the early attention to Reagan may have paid off. The next hearings are scheduled for the full week of September 26 before the Senate Foreign Relations Committee.

-- Our next objective is to write a strategy for the remainder of this legislative session which will bring maximum pressure on the Senate without overplaying our hand. This will require careful planning and allocation of resources, particularly your time.

-- One factor that must be recognized is that the most significant battles will be over reservations that the Senate will attempt to attach to the treaties. For example, it is certain a number of Senators will offer a reservation explicitly setting out our right to enter after the year 2000 to defend the Canal's neutrality. Such a reservation will enjoy wide support. We meet this week with the State Department to begin exploring the legal and political ramifications and to compile a tentative list of those reservations we expect to be offered.

Nuclear Non-Proliferation Legislation: H.R. 8638, the Nuclear Anti-Proliferation Act of 1977, has been scheduled for House action September 15. Senate Committees are working on similar legislation. Joe Nye is scheduled to testify before the Senate Committee on Energy and Natural Resources on September 13.

-- Both the Senate and House bills (S. 897 and H.R. 8638) incorporate key points of the Administration's bill. Nevertheless, a number of serious problems remain. Detailed Executive Branch comments on these problems have been prepared for transmission to Senate and House leaders.

-- State reports the Administration is also concerned about certain related aspects of the ERDA Authorization Act, which was passed by the Senate in July with these two problem amendments: 1) the McClure Amendment, which would not allow the U.S. to import spent fuel without prior approval by the Congress, and 2) the Glenn Amendment, which would require congressional review of the first nuclear export licenses for Brazil, India, Israel, Portugal and South Africa.

-- The House has split the ERDA Authorization into two parts (military and non-military) and has tentatively scheduled action on both bills at the end of the week. Amendments similar to the McClure and Glenn amendments could surface. In addition, Rep. Ted Weiss (D-N.Y.) may offer an amendment to the military ERDA bill to delete funds for the neutron bomb.

3. SOCIAL SECURITY FINANCING

-- As you know, the Senate Finance Committee took three disturbing steps prior to the August recess: 1) informally but overwhelmingly rejected general revenue financing; 2) appeared sympathetic to Senator Long's idea of a one-shot increase in employer contributions in 1981; and 3) decided to use H.R. 7200, a welfare bill which contains several objectionable provisions, as the vehicle for the Committee's social security financing amendments.

-- The Committee met last Thursday and made some relatively minor decisions, leaving most major decisions for action this week. HEW is working with Senator Nelson to develop a compromise. However, Nelson will not have the votes in any showdown with Long. You may want to discuss this issue with Long at your Tuesday evening dinner.

4. MINIMUM WAGE

-- The House will take up the bill on September 15. Although we were concerned that there might be some erosion on the bill during the recess, organized labor has done a heavy lobbying job which has yielded some success. As of now, the counts look like we will have about a 30-40 vote margin on indexing and a 10-20 vote margin against a youth subminimum. The vote on tip credit is likely to be very close. We feel, however, that we must continue to work this bill hard especially since there has been a tendency toward overconfidence on labor bills in the past several months.

-- On the Senate side, a markup was held by the Labor Subcommittee on September 8. The surprise was that Senator Javits offered an amendment to

delete indexing and substitute a rate of \$2.65 on January 1, 1978, \$3.00 on January 1, 1979, and \$3.25 on January 1, 1980. He was defeated by a vote of 4-3, but Senator Nelson abstained and there are some indications that the Administration position on indexing may have some problems even in the Full Committee. We are working the Senate Committee very hard next week as is the AFL-CIO. There will be some close votes on the Senate floor as well. With respect to tip credit, some compromise -- close to the House bill -- is likely to emerge. We are working against any such change in existing law but we have little hope that our position will prevail in the Committee.

-- Senator Byrd is pressing the Committee to report by the 19th so that the bill can be taken up shortly thereafter.

5. BLACK LUNG

-- S. 1538 was approved by the Senate and is being held pending passage of the House bill.

-- H.R. 4544 will be considered by the House after the minimum wage bill which is scheduled on September 15. In exchange for Rules Committee clearance, Chairman Perkins agreed to support a substitute to the Committee bill which eliminates three objectionable provisions -- automatic benefit entitlements, prohibiting agency appeals for favorable ALJ decisions, and permitting a miner to receive benefits while employed. Thus far DOL has been unsuccessful in attempts to modify other provisions.

-- Both bills are designed to liberalize eligibility requirements for black lung benefits and to transfer financial liability for future benefits from the Federal government to the coal industry.

6. CONFERENCE ON HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

-- An effort is being made to end the deadlock in the Conference on the HUD FY 1978 authorization bill. The votes of six Senate conferees are needed to accept full funding of the Urban Development Action Grant Program and deletion of the Williams-Brooke impaction amendment. Five appear to be available.

-- You will be asked on Monday to telephone Senator McIntyre, the key swing vote, and request that he support the Administration's position and oppose the Williams-Brooke amendment. We will send you a briefing paper at that time.

7. SPECIAL DISCHARGE REVIEW PROGRAM

-- On Thursday, the Senate passed S. 1307, the Cranston-Thurmond bill, extending the Special Discharge Review Program to all veterans who received less than honorable discharges prior to March 29, 1973 and requiring a case-by-case review using "historically consistent standards" before upgraded

veterans could qualify for benefits. Senator Cranston spoke with you about this on Friday. The House will consider its version of the bill on Monday.

-- Senator Cranston has said that Rep. Robin Beard (R-TN) will agree to recede on his amendment to the HUD Appropriations conference report if you agree not to prevent S. 1307 from becoming law. As you know, the Beard amendment would delete altogether funding for benefits granted to upgraded veterans.

-- You will be receiving a memo by Monday from Stu, Bob Lipshutz and me suggesting a course of action.

8. DON TUCKER NOMINATION

-- Senator Cannon met with Bob Lipshutz on Saturday to brief him on the internal report the Committee has compiled on Tucker's background. The Senator told Bob Thomson on Friday that it is very unlikely that Tucker will be confirmed. All Republicans are currently against and two Democrats have publicly expressed their reservations. Bob Lipshutz will report to you on the substance of their report. The Press Office has been informed that the Cannon-Lipshutz meeting was held, that we have received an interim report from the Committee, and that we are studying the report. There is rapidly growing press interest in the nomination.

-- We have contacted Senators Stone and Chiles. I will report to you personally on those conversations.

9. MISCELLANEOUS INTELLIGENCE

-- The Panama Canal briefings for prominent private citizens are getting rave reviews. We are considering adding additional states. *good*

-- Senator Durkin wants you to know he would vigorously oppose the rumored sale of F-15's to Saudi Arabia.

-- Gov. Ray last week flatly stated he would not run against Dick Clark. Polls showed Clark trailing Ray by a substantial margin. Obviously, Clark is elated.

-- Gov. Thompson recently said he would not seek Tom McIntyre's Senate seat. However, he has also stated he might reconsider if McIntyre votes "wrong" on Panama. The Governor would be a formidable opponent for McIntyre.

-- Jim Wright asked to be "let off the hook" on the breeder. He said he won't hurt us but he cannot support the Administration's position.

-- Rep. Chris Dodd is thinking about running for Governor of Connecticut.

-- Rep. Bob Carr is thinking of running for the Senate in Griffin's seat.

FLOOR ACTIVITIES FOR WEEK OF SEPTEMBER 12

House

Monday — 13 suspensions (2/3 vote, no amendments):

- Work hard on these*
- 1) H.R. 3455, Nuclear Regulatory Commission Authorization. According to OMB, the Administration supports enactment of the bill, but would prefer the deletion of the following provisions: 1) the requirement for the Commission to inform appropriate congressional committees when planning to reprogram funds in amounts exceeding \$200,000; 2) the requirement for the Commission to submit to Congress a quarterly report documenting the procedures used in hiring or promoting each person at the grade GS-11 or above; 3) the granting of leasing authority, for facilities and property, to the Commission. The Administration also prefers enactment of its budget authorization request for \$292,150,000, instead of the \$301,950,000 authorized by the bill.
 - 2) H.R. 3454, Endangered American Wilderness Act of 1977. The bill would designate as wilderness 16 area covering approximately 1,170,370 acres within the National Forest System in the western United States. In a report to the House Interior Committee, the Administration recommended wilderness designation of 13 of these areas covering approximately 718,400 acres. Significant differences between the bill and the Administration's recommendations involve 6 areas:

	<u>H.R. 3454</u>	<u>Administration Recommendation</u>
Middle Santiam	No provision	24,500 acres wilderness
Wild Rogue	38,200 acres wilderness	38,200 acres wilderness study
Kalmiopsis additions	280,000 acres wilderness	215,900 acres wilderness study
McGregor Thompson	No provision	86,558 acres wilderness
Mount Henry	No provision	22,000 acres wilderness
Hunter-Frying Pan	67,000 acres wilderness	No recommendation

- 3) H.R. 8698, Military Discharge Review Amendments, (see Special Discharge Review Program).
- 4) H.R. 8701, GI Bill Improvements Act of 1977. The Administration will not object to the passage of this bill which would increase GI bill benefits by 6.6%. However, the Administration would prefer passage of its own 5% rate increase proposal. H.R. 8701 will add \$42 million to the Administration's current estimate of FY 1978 budget outlays, which assume a 5% benefit increase.
- 5) H.R. 8175, Extension of Veterans Administration Physician and Dentist Special Pay. The Administration favors the basic purpose of H.R. 8175, which provides

for a one-year-extension--until September 30, 1978--of the special incentive pay authorities for VA physicians and dentists. However, the Administration prefers its own bill to accomplish this extension without the September 30, 1981 termination of all special pay contracts as provided in H.R. 8175.

- 6) H.R. 4341, Veterans Administration Inspection of Mobile Home Manufacturing Process. The Administration supports enactment of the bill which is identical to a draft bill transmitted to the Congress by the Veterans Administration to eliminate the requirement for inspections by VA of the mobile home manufacturing process. VA has found that the inspections of mobile homes conducted by the Department of Housing and Urban Development to enforce the Federal mobile home construction and safety standards are sufficient to insure that new mobile homes sold to veterans will be properly manufactured.
- 7) H.R. 6803, Oil Pollution Liability and Compensation Act. The bill is very similar to the proposal submitted as part of the President's program to deal with oil pollution. OMB would prefer the following amendments to make the bill conform more closely to the President's proposal: 1) coverage of foreign claimants, particularly for trans-Alaska Pipeline Oil; 2) payment of administrative cost and damage assessment cost from the fund created by the act; and 3) liability limits for barges, maximum liability for tankers, and liability for cleanup cost for OCS facilities. OMB advises there is a dispute within the Administration on the manner in which the bill deals with the preemption of State law regarding oil pollution liability and funding, and the definition of navigable waters.
- 8) H.R. 4740, Marine Mammal Protection Act Authorization. The bill was rescheduled from last week. It extends the authorization period for the Marine Mammal Protection Act of 1972 through FY 1978 and authorizes appropriations for 1977 and 1978. OMB advises the Administration has no objections to it.
- 9) H.R. 3702, Improved Armed Forces Survivor & Retirement Benefits. While the bill provides for cost-of-living increases of annuities under the Retired Serviceman's Family Protection Plan as requested by the Administration, OMB opposes enactment at this time because of other provisions in the bill which would change the present integration of the Survivor Benefit Plan (SBP) with the Social Security System and which would revise the method of computing the reduction of military retired pay for members participating in the SBP. DOD has completed a study of the integration of the SBP and Social Security which will be made available to the President's Commission on Military Compensation. OMB would prefer to have the advice of this Commission before changes are made to the current retirement and survivor benefit plans.
- 10) H.Con.Res. 282, Highway Apportionments. The Administration has no objection to this bill, which would establish an apportionment formula for FY 1979 for authorizations for the Interstate highway system (these funds will be released for obligation on October 1, 1977 or upon enactment of this legislation, whichever is later).

- How would
this help?*
- 11) H.R. 8094, Federal Reserve Reform Act of 1977. The Administration has no objection to this bill which would promote accountability of the Federal Reserve System mainly by 1) requiring Senate confirmation of the President's nominees for Chairman and Vice Chairman of the Federal Reserve Board and 2) providing for 4-year terms of office for such persons beginning February 1982.
- 12) H.R. 8423, Renal Disease Program Amendments to Social Security Act. The Administration favors H.R. 8423 which would amend the Medicare renal disease program to: 1) provide incentives for lower cost self-dialysis, where appropriate; 2) eliminate disincentives for kidney transplantation; 3) improve incentive reimbursement methods for patients on dialysis; and 4) assure medical review of patients on self-dialysis and require studies and an annual report by the Secretary.
- 13) S. 1752, Education Amendments of 1977. The Administration supports this bill, which would extend for one year, through fiscal year 1979, certain programs for Federal aid to elementary and secondary education which are "forward funded." These programs include Title I of the Elementary and Secondary Education Act (ESEA) of 1965, which authorizes assistance for education of the disadvantaged, as well as several other titles of that Act and other education statutes. Simple extension of these authorities for one year at this time is designated to assure against the loss of forward funding if action cannot be completed on possible substantive revisions of ESEA in a timely way in the next session.

-- 2 District bills:

- 1) H.R. 6530, Extension of Interim Treasury Borrowing Authority For the District of Columbia. The Administration supports the bill which would extend until October 1, 1979, the District's authority to borrow from the U.S. Treasury for capital improvement projects.
- 2) H.R. 5813, D.C. Water and Sewer Services. The bill would advance to a current-year basis the schedule for appropriation and payment of federal water and sewer service charges due to the District of Columbia from the federal government. At present, the federal appropriation for this purpose represents payment for services rendered nearly two years earlier. The bill is identical to a proposal transmitted to Congress by Mayor Washington on March 28, 1977. The Administration supports its enactment.
- IFI Authorization Conference Report. Treasury does not anticipate problems with the Conference Report, but will complete a vote count prior to floor action.

Tuesday &
Wednesday

- General debate only on the following bills, no votes expected:
- H.R. 3744, Minimum Wage.
- H.R. 6566, ERDA Authorization (national security).
- H.R. 6796, ERDA Authorization (civilian).

-- H.R. 7010, Victims of Crime. This bill, rescheduled from action earlier in the session, would establish a grant program in the Justice Department to reimburse states which compensate victims of violent federal and state crimes. OMB advises the Administration would support enactment of the bill if 1) the maximum compensation for each claim is reduced from \$50,000 to \$20,000 and 2) the federal share of compensation to state crime victims is reduced from 50% to 25% of the total of each such claim.

-- H.R. 5383, Age Discrimination in Employment Act. The bill, as reported by the House Education and Labor Committee, raises the current upper age limit in the Age Discrimination in Employment Act from 65 to 70 for workers in private and state and local employment and would, after a specified period of time, prohibit mandatory retirement based on age in seniority systems or employee benefit plans. OMB advises that the Administration is developing its position on the provisions of the bill dealing with the private sector. With respect to federal employees, the Administration strongly supports the amendment proposed by Rep. Spellman (D-Md) which would eliminate the provision for mandatory separation at age 70. The Labor Department advises that the Senate Human Resources Committee will mark up its version of the bill on September 14 and that leaders of both Houses continue to press for an Administration position supporting the legislation.

-- H.R. 2176, Federal Banking Agency Audit Act. OMB reports the Administration's position is under development on this bill to provide for the audit by the Comptroller General of the Federal Reserve system, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency.

Thursday &
Friday

-- The House is tentatively scheduled to complete action on the following:

-- Conference Report on the 2nd Budget Resolution.

-- H.R. 3744, Minimum Wage.

-- H.R. 4544, Black Lung.

-- H.R. 5383, Age Discrimination in Employment Act.

-- H.R. 8638, Nuclear Non-Proliferation Act of 1977 (subject to a rule being granted).

-- H.R. 6566, ERDA Authorization (national security).

-- H.R. 6796, ERDA Authorization (civilian).

Senate

-- The Senate will continue consideration of the Energy Conservation portions of the NEA during the week. It is likely that the HUD Appropriations Conference Report and other conference reports will be considered when time permits.